Expenses Guidelines: What are Allowable Expenses?

Purpose:

The goal of this guidelines document is to provide information on the appropriate uses of college funds (departmental funds, office funds, research accounts).

In support of the College's strategic goals that require funding, such as increasing need-based financial aid, these guidelines help define some principles and procedures for good stewardship of resources.

These guidelines are also developed to standardize, clarify, and streamline processes. Through sharing these guidelines, we increase clarity and transparency on how college funds work (department operating funds, donated gifts/endowments, research accounts, project funds).

This document defines an allowable business expense as a *necessary*, *reasonable*, appropriate non-compensation expense incurred for a *valid business purpose* to fulfill the mission of the College. The following guidelines apply to all non-compensation business expenses for academic departments and programs. The document defines key terms, provides criteria for determining allowable business expenses, and provides examples of common allowable and unallowable expenses.

These general guidelines may be less or more prescriptive/relaxed than departmental or fund requirements, and when differences arise, please follow the more stringent guidelines. These guidelines supersede tradition and word-of-mouth "we used to be able to do this so it's fine." All guidelines must comply with college policy and accounting practices, and with federal, state, and local rules and regulations.

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[The archived version from 2025-26 can be viewed online]()
[The archived version of Version 2024.4 can be viewed online]()

A. Definitions

Appropriate: An expense that is suitable for a particular valid business (e.g., instruction, research) purpose. Determining the validity of the business purpose is ordinarily performed at the department/program/office level.

Allowable expense: A necessary, reasonable, and appropriate expense incurred for the primary benefit of college business and therefore permitted to be reimbursed or directly charged based on the permission of the College or on the terms of federally or privately sponsored agreements.

Necessary: Minimum purchase or service required to achieve a particular business objective.

Original Receipt: The original merchant receipt or invoice issued by the supplier or service provider to document and substantiate the business transaction. A digital image such as a screenshot or photo of the original receipt is allowable provided that it is legible, includes the name of the vender, and the shipping address (if item is shipped).

Reasonable Expense: An expense that is ordinary (the amount that normally would be spent in a specific situation), not extreme or excessive, and reflects the prudent decision to incur the expense on behalf of college business.

B. Criteria for Determining an Allowable Business Expense

Business expenses paid directly by the college or reimbursed to an individual must be:

- **Necessary** to perform a valid business purpose required to fulfill the mission of the College; and
- **Reasonable** in that the expense is not extreme or excessive and reflects a prudent decision to incur the expense. The reasonableness of an expense depends upon many factors, including the business purpose, the context, the source of funds, and the circumstances surrounding the expenditure; and
- **Appropriate** in that the expense is suitable and fitting in the context of the valid business purpose,
    - When determining the appropriateness of the cost, consider whether the cost has been adequately documented, whether the cost could be comfortably defended under public scrutiny (e.g., would you be comfortable reading about it in the news, could you comfortably explain why student tuition dollars were spent, or explain the expense to a donor); and
- **Allowable** according to the terms of any federal regulation, sponsored contract, or College policy and guidance (see relevant College Policies and Procedures included at the bottom of this document). This includes following the college's Code of Ethical Conduct and Conflict of Interest Policy; and
- **Substantiated**: Faculty are responsible for maintaining documentation to support an incurred expense that includes the original receipt, documentation of business purpose, names of persons in attendance, and appropriate expense report for the incurred cost (i.e., the 5Ws: who, what, where, when, why).

C. A Note on P-Cards

There are all types of "advice" among CC employees --- here's the current official instruction: Employees who regularly make business related purchases should get a P-Card. PCard holders are required to upload receipts for transactions over $5. Receipts for purchases under $5 should still be uploaded, but it is not required.

With the increasing ease of technology (e.g., taking photo of receipts, uploading photo to the P-Card UMB app), faculty are expected to reconcile their own P-Cards in UMB, know their research account FOAP, regularly check their account balance, and ask for and enter alternative FOAPs when a transaction requires using a different FOAP than their research account. Items should be reconciled as soon as possible after the transaction posts to UMB. The photo of the receipt can be saved to the app even before the transaction posts. All faculty users of P-Cards should reconcile their P-Cards now that the process is web-based and app-based and user friendly.

- Transaction descriptions must answer the 5Ws: who, what, where, when, and why. If your charge is for a meal, please remember to include the name(s) of anyone eating the meal. Please note that names should be listed for groups of five people or less. For a group of more than five people, use a descriptor such as "Midstates Poster Presentation" or "Finance Department," and please be as specific as possible. All receipts must be itemized (not just a total) and include the vendor's name and delivery address when applicable.
- Spouse/partner/family/friend/pet meals and expenses are not reimbursable (unless the College requires or officially invites the spouse/partner for business purposes). For example, spouses should not be joining search committee meals, or dinners with guest speakers. If family members or pets accompany you to conferences, please do not include their airfare, meals, groceries, or other personal expenses. Hotel pet fees are not chargeable to P-Card or college budget.

D. Common Allowable Business Expenses

The following is a partial list of commonly allowable expenses; it is not intended to be comprehensive.

1. **Advertisement** - Recruiting employees and promoting events are examples of ads that are appropriate for advancing the interests of the College.
2. **Appliances in communal areas** - These are allowable if they are available to all in the department and not in a personal office.
3. **Cash payments (or cash equivalents) to research or survey participants** - Please review payment guidance on this website: https://www.coloradocollege.edu/other/irb/using-incentives.html.

    a. **Participant payments via a third-party vendor** such as Amazon, MTurk and Prolific do not require identifying information from participants for College records. These should be paid for as services to a vendor (e.g., invoice).

4. **Computing equipment purchased via ITS and technology purchases/licensing.**
    a. ITS must purchase all college-owned IT equipment, even if the equipment is entirely funded by a department or research account. ITS will handle purchasing, receiving, distributing, and decommissioning these devices. See D. 7. b. for the exception regarding faculty retirement gift iPad or laptop later in this document.
        i. These are devices owned by the College and must be returned to the College when the employee retires/leaves.
        ii. All purchases of IT equipment must comply with the IT Asset and Equipment Management Policy. Please see ITS webpage for current information.
        iii. IT equipment is defined as physical computing or printing devices (i.e. computers, docking stations, monitors, tablets, printers, telephones, projectors, large speakers, servers, routers). A good threshold is that IT equipment costs more than $100.
        iv. IT peripherals are not included and can be purchased by departments directly. Peripherals are defined as devices that are used to interact with IT equipment (i.e. keyboards, mice, webcams, small computer speakers, cables). The price of peripherals is usually less than $100.

    b. Environmental Health and Safety (EHS) can be consulted on certain electronics purchases (e.g., displays for ergonomic, and environmental health and safety needs) made through ITS.

    c. Online services, applications, or software subscriptions
        i. All new or updated applications, whether for individual, departmental, or college-wide business use, must go through the Tech Adoption process. https://www.coloradocollege.edu/basics/welcome/leadership/policies/technology-adoption-policy.htmlpl Applications may refer to software, generative AI, programs, downloads, apps, apps, websites, cloud storage, and online services.
        ii. To initiate a request for approval to purchase an application (e.g., to change an application or to add a new application), follow ITS instructions on the ITS Tech Adoption page to initiate a request. https://www.coloradocollege.edu/offices/its/tech-adoption.html.
        iii. Faculty must include the official approval email when reconciling the application's P-card transaction or submitting their journal entries.
        iv. For applications to book appointments such as Calendly, faculty should instead use the college's existing tools through Microsoft Office 365 such as Bookings (works like Calendly) and Outlook calendar requests.

    d. All IT equipment and IT peripherals purchased with CC funds, including research, startup, grant, and department funds, are the college's property and must be returned to ITS on the last day of employment.

i. Supervisors are responsible for creating a "New or Departing Employee" ticket to account for a departing employee's returned equipment, or the department will be charged for lost or missing college assets.

5. **Food – Meals**
   a. Meetings between CC employees (faculty and staff) or informal meetings between faculty/staff and students SHOULD NOT include a College paid lunch (delivery, take out, restaurant meal). A brown bag packed lunch is appropriate, not a college-funded lunch.
   b. There are occasional settings when food over a business meeting may be acceptable. This includes breakfast or lunch when a departmental is at a full-day business retreat, or meeting with an external business or community partner to discuss work. Even in the case of allowable business meeting meals, please attend to these guidelines
      i. Upscale meals ($80 or more per person) are not supported, even if it is for an important guest speaker/visitor, or a special event. Departments that have endowed funds or gifts funds should still comply with this reasonableness expectation.
      ii. All food and food delivery costs should be reasonable, whether the event is on or off campus.
      iii. Spouse/partner restaurant meals are not reimbursable (unless the College requires or officially invites the presence of the spouse/partner for business purposes). For example, spouses should not be joining search committee meals, or dinners with guest speakers. A list of attendees including their roles at CC, total number of attendees, and the business purpose of the meeting needs to be provided along with the original receipts to be reimbursed.
   c. When made available to all members of the department and visitors, expenditures on coffee, soft drinks, bottled water, and a modest amount of low-cost snacks may be incurred at the discretion of the department.
   d. Alcohol. Serving alcohol is highly discouraged.
   e. Social events – Occasional office parties, picnics or other social gatherings for faculty, staff, and students are acceptable (e.g., graduation parties, holiday parties). The cost of food should be reasonable. Departments that have endowed funds or gifts funds should still comply with this reasonableness expectation.
   f. Retirement events – For celebrations for a faculty and staff member with 15 or more years of service, a department might plan an event that costs up to $800 (or up to $1,000 for very large gatherings). A faculty or staff member with less than 15 years of service--generally up to $500 (or up to $700 for very large gatherings). For employees with less than 3 years of service, a small gathering within the department with only nominal refreshments is more appropriate. Departments that have endowed funds or gift funds should *not* augment these spending limits, even with restricted funds.
   g. Tips are appreciated and should be moderate. A 15% tip is generally considered standard, while up to 20% may be given for exceptional service. Before leaving a tip, please review the bill to ensure that gratuity has not already been included.

6. **Furniture: See Capital Request section**

7. **Gifts -** Under most circumstances, gifts purchased for others are ***not*** an allowable expense; however, there are limited circumstances in which a gift may be allowable.
   a. Departing employees (departing or retiring employees): Departments may use their budget to purchase gifts for retiring employees.
      i. The amount should be reasonable, equitable and commensurate with length of service, the nature of the position, and conditions of departure. An amount of $25 per year of service, up to a cap of $750 would be reasonable.
      ii. Cash or cash equivalents are not permissible as retirement gifts. IRS regulations treat cash or cash equivalents (such as gift cards, store credit, Amazon account credit) as compensation.

   iii. In addition to a gift, it may be appropriate to have a celebratory recognition event. It is not allowable to pay a bonus (payroll) to employees or retirees as a gift.

b. **Faculty retirement gift options:**
   i. A Colorado College official captain's chair as a gift (2026 cost is around $650), or
   ii. A technology gift: A retiring full-time faculty-line (reappointing) faculty member may request one-time technology gift in the form of an iPad or a laptop computer (up to the cost of a CC standard issue laptop) as a retirement gift. This applies to faculty members entering full retirement, entering the first year of Full Early Retirement, or faculty who have completed their phased Early Retirement. This does not apply to faculty members who are not retiring but leaving their job at CC to work somewhere else, or faculty members who are terminated from their employment.
   iii. The purpose of this gift is to support continued scholarly, creative, pedagogical, or institutional work during the transition into retirement. This support is limited to one device comparable in cost to the standard models currently provided by ITS to active faculty. It does not include highly augmented features, customized upgrades, specialized peripherals, software purchases, or other technology beyond the standard laptop configuration. Faculty may not keep their lifecycle computer, research computer, lab computer, or other College-owned technology equipment in lieu of this gift.
      1. The laptop or iPad is provided as a retirement gift and becomes the faculty member's personal property. It is not retained as, maintained as, or supported as a College-owned computer. The College will not provide ongoing ITS support, device management, software support, replacement, repair, or upgrades for the laptop after it is provided.
      2. The difference in value between the laptop or iPad and the chair ($650) is taxable and will be treated accordingly under applicable College and tax reporting procedures. The Purchaser should notify the Office of the Dean of the Faculty deanofthefaculty@coloradocollege.edu and bbarrientos@coloradocolleg.edu of the value of the gift (include a copy of the receipt) and the name of the recipient. The Office will report the earnings to Payroll.
      3. To make this retirement gift purchase, please follow these steps:
         a. The purchaser (e.g., chair, administrative assistant) should seek approval from the Office of the Dean of the Faculty Belinda Barrientos bbarrientos@coloradocollege.edu.
         b. Upon approval, the purchaser should contact the P-Card team (Anne Corley) to ask for a temporary increase in the limit, if needed.
         c. Upon approval, the purchaser should buy the device directly from a vendor. Because this device is considered personally owned by the retiree, ITS will not make the purchase. If the order is placed through Amazon, it should be noted as "Emeriti Faculty Gift Computing Device for retiree [name], last semester of teaching [semester]" so that approvers in the workflow approves the technology purchase. Otherwise, CC processes will halt technology device purchases not made through ITS.

c. Departments that have endowed funds or gift funds should *not* augment these spending limits, even with restricted funds.
d. Employee professional and personal events: A modest memento is appropriate to recognize a significant professional accomplishment such as a promotion or professional award. Gifts such as flowers or gift baskets are appropriate to recognize major personal events such as the birth/adoption of an employee's child, an extended illness, or the death of a family member.
e. Occasional purchase of office or department wide clothing/swag to augment office identity is acceptable when the item price is less than $50.
f. Nonemployees: Gifts of modest value may be given to individuals not employed by the College in recognition of events. These would most typically be to students, alumni, and friends who have provided

volunteer service and leadership to the College. It would also include gifts for hosts when traveling. A lavish gift to a host in lieu of lodging expenses is not an allowable expense.

g. It is not allowable to purchase gift cards using college funds (operating, endowment, gifts) to give as presents. Examples of unallowable uses of gift cards:
   i. Gifts to employees from other departments/offices for support or collaboration;
   ii. Routine celebratory events such as birthdays, hallmark holidays;
   iii. Gifts to employees for doing an "excellent job" in their work (e.g., organizing a department event, doing something special such as taking photos or video at a work event, helping you with teaching or research, updating the office webpage, submitting a grant proposal).

8. **Membership Dues**
   a. Individuals: Memberships in professional associations related to an employee's role at the College are allowable expenses at the discretion of the individual departments.
   b. College memberships - These are allowable but require approval by the Dean of the Faculty.

9. **Moving Expenses** - Please see the College's Moving Expenses Policy, which is shared by the Human Resources Department and the Office of the Dean of the Faculty. "Extra" relocation bonus payments, even if funded by the department, are not permissible. There is no moving allowance when an employee leaves the College. Departments that have endowed funds or gift funds must still abide by these guidelines.

10. **Payment to Other Institutions** - Expenses incurred by another institution involved in collaborative activity or approved services performed by another institution for the College may be paid based on an invoice or formal request for payment which specifies the purpose and nature of the expenditures. As a general rule, the college does not make charitable donations or contribute financially to support other not-for-profit charitable organizations.

11. **Phones (landline, cell phones) and phone plans.** Faculty and staff should not use their department budgets or research funds to purchase phones (cell phone or land phone) or pay for phone subscription plans. There are exceptions for field study and abroad courses where approved budgets will include the sim card for phone and data while abroad. But the phone itself is not allowable even in abroad study and research. Occasionally, offices and courses may need a satellite phone—please contact the directors of global education and field study to discuss your satellite phone needs and do not purchase your own satellite phone and subscription without their approval. There may be highly unusual circumstances where a phone purchase is justified—please seek approval from the Office of the Dean of the Faculty.

12. **Prizes, scholarships, and grants for CC students** - Awards based on established criteria are allowable and must be administered through the College's student scholarship and prizes disbursement process. See detailed instructions and forms for issuing grants, prizes, and scholarships to students. Also see specific guidelines for payment to human subjects for research.
   a. Gifts, assistance, or compensation cannot be "informally" issued to students by a faculty or department account (e.g., through purchases of goods/groceries/computer/clothing/gift/VISA cards, Venmo, Paypal).
   b. In occasional situations when students get an official gift card from the department (as a gift or modest token of thanks), the amount should be reported to the Financial Aid Office. There are also situations when students receive petty cash for purchasing food when on official CC travel. See information on issuing funds to students.

   c. There are no common situations when a department can just give students money (any college sources—department fund, faculty research funds, grants) and not officially report it. There are situations when students are reimbursed (those are not "gifts and awards" because they have spent funds for approved business purposes, and you are reimbursing them).
   d. Departments generally do not distribute funds to students for tuition or training expenses (e.g., a special course of study in another institution; professional certifications).

e. Departments do not issue funds to students to assist them with urgent needs or crises. The college has other resources to support students in need. Please reach out to the Care Team and to the Office of Student Life in such situations. Therefore, do not use any college funds to pay for flight tickets to go home, computers, rent, groceries, medical costs, etc.

13. **Services purchased, consultant costs, external contractors** – All purchases must comply with the college's Procurement and Purchasing Policy and Contract Review Guidelines.

14. **Subscriptions** - Publications and journals related to the employee's responsibilities and intended to support work and educational knowledge are appropriate. Please first check to see if the College already has electronic subscription via Tutt Library. The College has campus-wide subscriptions to the New York Times, Washington Post, Wall Street Journal, and also electronic databases to search for news and magazine articles for scholarship. Therefore, individual subscriptions for newspapers and magazines, including home delivery, will not be supported.

15. **Training** - Training expenses – on/off campus or online – are appropriate. Please see the college's Education Assistance Program Policy for information about tuition benefits.

16. **Travel** - Business related travel expenses (economy airfare, baggage fee, ground transportation, mileage reimbursement, etc.), hotel fees, and meals and incidental expenses must be reasonable and for a valid business purpose (conference travel, research travel, etc.). Conference hotel costs should follow standard conference room rates. Ground transportation should be reasonable and not pricey or lavish (e.g., do not use limo services).
    a. **Flight:** Business class, "economy plus", "premium plus", "premium select", other premium cabin upgrades, "full-recline seats", or airport lounge fees are unallowable additional expenses. It is not reimbursable to purchase "extra leg room" "aisle or window seat" "early boarding" "preferred seating". When in doubt, check with your department chair and use the airline's full list of fare class names to make the determination rather than argue "it does not have the word 'business' or 'first' so it must be allowable".
    b. **Meals during travel**, including conference meals, should be modest and reasonable (e.g., not more than $80 per head for dinner). Meals for partners, spouses, family members, friends, pets, etc., are not reimbursable.
    c. **Car rental:** When traveling on college business and renting a car, you should decline the CDW (Auto Rental Collision Damage Waiver). We require that you be a certified driver through the Transportation office within Facilities and use your P-Card to rent a car through a national car rental agency such as Enterprise, Hertz, National, etc. Please ensure that the P-Card used for the rental matches the name of the driver. Please do not rent through platforms such as Turo as our insurance does not cover these businesses as they are not rental car agencies. The CDW is automatically covered by VISA for business car rentals using the Colorado College P-Card with our college auto policy providing secondary coverage. Please note that your department could be subject to a $1,000 deductible for any damage incurred. For P-Cardholders renting vehicles outside of the United States we ask that you pay for the additional insurance through the rental agency as our auto policy only covers within the United States. For questions, please contact Ryan Hammes or Anne Corley. Info on getting certified as a CC driver.

E. Unallowable Business Expenses

The following is a partial list of unallowable business expenses; it is not intended to be comprehensive.

1. **Advertisements** - Personal advertisements relating to individuals are unallowable; e.g., congratulatory notices or notices that can be reasonably viewed as personal rather than departmentally oriented.

2. **Charitable giving and donations** - As a general rule, the College does not make charitable donations or contribute financially to support other not-for-profit charitable organizations. This includes that you cannot donate from your research account or other college funds for the academic or professional association. Beginning Nov 1, 2025, we will no longer make any post-hoc waivers and the employee will have to pay back the amount.

3. **Clothing purchases that are not employee gifts (above the $50 gift limit) -** To truly be classified as a business expense because it is a uniform, two conditions must be met:
   a. *Must* be worn as a condition of employment,
   b. Not suitable for everyday wear.
   Thus, a polo shirt or jacket with your department name is not a uniform for most academic units. They can still be purchased as the occasional "swag" gift. It then has to be below the annual $50 limit.

4. **Commuting** - Employee travel to and from work is not reimbursable.
   a. If an employee prefers and chooses to stay overnight close to CC, hotel or room fees incurred are not reimbursable. Nonrecurring exceptions due to unusual work requirements may be approved in advance by the department head.
   b. Campus parking annual or daily permits for employees are not allowable expenses. Departments cannot purchase parking permits for staff employees, or block visitor faculty employees.
   c. Expenses incurred for your commute, such as gas, mileage, coffee, are not reimbursable.

5. **Computing equipment not purchased via ITS**. All college-funded computers, iPad and tablets, mobile computing devices, gaming units, printers, servers, monitors and displays, regardless of fund type (research account, operating funds, endowment or gifts) must be purchased via ITS.
   a. For example, do not independently go to Best Buy, Costco, or Amazon to purchase a laptop or a tablet using your P-Card (or with your personal funds and then seek reimbursement).
   b. Beginning Oct 1, 2025, we will no longer make any post-hoc waivers and the employee will have to pay back the amount.
   c. Most people's personal phones, even if they use them to check college emails and do some work or if they bring them when on college travel, are not allowable as business purchases. An exception is unlikely in the academic departments.
   d. Retirement gift laptop/computer is the one exception. See Emeriti Faculty Research Computer Gift in D.7.b.

6. **Credit card fees and charges** – Annual fees, late fees and penalties, and interest charges on personal credit cards are not reimbursable, even if the card is used for business purposes.

7. **Gifts to employees and non-employees** - A modest memento is appropriate to recognize a significant professional accomplishment such as a promotion or professional award. Gifts such as flowers or gift baskets are appropriate to recognize major personal events such as the birth/adoption of an employee's child, an extended illness, or the death of a family member. However, for common recurring events, a greeting card would be appropriate, but not the purchase of gifts (birthdays, anniversaries, professionals-days/hallmark-holidays). Gifts to vendors are prohibited. Gifts to employees from other departments/offices for performance of routine support activities also are unallowable.

8. **Gift cards (disallowed uses)** - Gift cards to employees from other departments/offices for performance of routine support activities are unallowable. Routine celebratory events such as birthdays, hallmark holidays. Gift cards used to compensate someone (e.g., to pay a "student worker" off the records, to pay someone who is registered as "volunteer" instead of setting them up as contractor or employee). Gift cards, even when allowed, must not have a value greater than $50.

9. **Goods and services for personal use** - These would include:
    a. Such items as individual coffee makers or similar small appliances, artwork to decorate one's office;'
    b. Personal websites hosted externally even if you are presenting your work from CC;
    c. Clothing, luggage, briefcases, over-the-counter medications, and toiletries for personal use, including personal supplies for and while traveling, even if your baggage is delayed.

10. **Home office** – home office or home workshop and studio décor, furniture, equipment.

11. **Honorarium to CC faculty –** Payments (via payroll) take on different common-use names such as "stipend" "gift" "prize/award". Departments/Offices/Centers should not issue additional payments to faculty members. There is a limited set of approved situations and tasks where faculty receive additional payments. See Supplementary Payments to Faculty Guidelines.

12. **Financial aid to students intended to be a "workaround" financial aid policy** – such as purchasing textbooks for a particular student, paying for food or travel home to a student in need by directly paying for their flight or grocery bill. Please encourage students to reach out to financial aid for assistance.

13. **Club Memberships, news subscriptions** - Personal, recreational, airport or athletic club, shopping (e.g., Prime) memberships are not allowed, unless there is an approved business justification made at the level of Dean of the Faculty and CFO (unlikely for our academic work). Many institutional memberships are maintained at the College's level (e.g., subscription to the New York Times/WaPo/WSJ, institutional membership to the Council for Independent Colleges); therefore, check first before securing personal memberships to these higher-education sector wide associations. Subscriptions to services require additional approval prior to purchase (e.g., Spotify, Netflix). Professional memberships to academic associations are allowable (e.g., American Sociological Association).

14. **Parking permits for CC parking for employees, parking (fine) tickets, or traffic violations** - These are not allowable, even if incurred while conducting college business. Contact the parking office for information about special parking situations that support your special parking needs before an event or when loading/unloading goods or equipment. It is not allowable for the department to purchase annual or semester or block parking passes for employees (including block visitors).

15. **Personal services for employees and non-employees** - These include childcare, pet care, insurance, legal counsel, bail money, portraits, or similar purchases.

16. **Political contributions of any type** - Both cash and other forms of support are prohibited. College resources cannot be used for political materials (e.g., website for a candidate, flyers for a candidate).

17. **Real estate leases and purchases** – this includes purchase or rental of residential property, offices, labs, workshops, storage spaces, parking spots. In the rare case where such purchases/leases are needed, the department chair must discuss with the Dean of the Faculty and the CFO.

18. **Repetitive routine expenses** - Expenses for an individual's routine food, lodging, and commuting from their residences to Colorado College are not allowable expenses unless they are preapproved as a part of an employee's employment terms. For example, these are not allowed: a cup of coffee on the way to work, topping up the gas tank, gum and snacks for personal use.

19. **Sales Tax** - The College reserves the right not to reimburse sales tax for a transaction that would have qualified for a sales tax exemption if it had been properly processed.

20. **Sponsorship of external individuals or organizations** - Both cash and other forms of financial support are prohibited.

21. **Stolen, lost, or damaged personal property** - These are not reimbursable even if incurred while on college business or if the loss or damage happened on College property.

22. **Third Party Payment Services—**Third party payment services refer to Paypal, Zelle, Venmo, and other similar payment platforms. They are increasingly common but not all uses of these platforms, whether with your p-card or as reimbursement, are allowed.
    a. Some conferences and companies only accept Paypal (paid to the corporate account of the conference, not personal account of an individual) —that is allowed.
    b. However, when there is an option to pay with a credit card, you should not use PayPal.
    c. Receipts for purchases using these services must still include vendor name, amount, date, itemized description of each purchased item, name of the purchaser (e.g., to show that it was you who paid from PayPal).
    d. For travel expenses, third party cash apps should only be used when no other means of payment exist. Relatedly, individuals and departments should not open their own Venmo, GoFundMe, or similar accounts to collect funds for official college business.

23. **Cryptocurrency payments** are prohibited and will not be reimbursed.

24. **Additional unallowable expenses - Federal Funds** – see Federal Funds Procurement Guidelines.

F. Capital Equipment: Includes Furniture

For information about Capital Equipment purchases and preferred vendors, please see the College's Capital Equipment Request and Training Guide. See section on "Furniture" earlier in this document for guidance.

All equipment, furniture, and capital purchases are considered college property. Departments are expected to have an inventory system that tracks equipment purchased using college funds. The records should include purchase date, cost, funding source, notes about ongoing costs/maintenance/source, serial number, use/purpose, location, condition, and disposition record. Equipment should be used primarily on campus and not at the employee's home, or "home office", "garage space", "travel trailer" or other personal locations.

Equipment should be purchased for use for college business purposes, and occasional personal use should generally be kept to a minimum and not interfere with the completion of official college business.

Furniture Purchase Procedure

All purchases of furniture used at work: in offices, labs, studios, communal areas, official student residences and language houses, need to comply with these regulations. Effective November 1, 2025, if an individual employee or a department/office purchases furniture not in compliance with this guidance, the expense will not be reimbursed or authorized, and individuals may become personally responsible for paying for the purchase.

Definitions: Furniture purchases fall under two main categories:

- Building/Departmental Furniture Purchases – for buildings/departments such as desks, classroom tables and chairs, dining or meeting table and chairs, building or department level communal area furniture, etc. Supplemental Item Purchases – for items such as office chairs, lamps, bookshelves, small end-tables, keyboards, pictures, etc.

Processes

a. Building/Departmental Furniture Purchases
    i. Capital Equipment Budget Requests – Furniture Purchases
        1. To receive additional funding for capital purchases, submit an annual request for building/departmental equipment and furniture purchases:
        2. Banner Capital Equipment Request Process Guide
        3. Once approved, a capital budget is generated for your department and Facilities will have oversight of the budget.
        4. Facilities will receive notification of the approval and will contact the Requestor to begin the process.
        5. A Project Manager will be assigned and will provide information on approved vendors and generate quotes as needed.
        6. All individual or combined purchases over $5,000 require a purchase order. Facilities will generate the PO.
    ii. Departmental Operating Budget – Furniture Purchases
        1. The departmental operating budget should be reviewed for available budget and proper authorizations for purchase, by a supervisor and/or VP (depending on procurement amount).
        2. Contact Facilities and a Project Manager will be assigned. They will provide information on approved vendors and generate quotes as needed.
        3. All individual or combined purchases over $5,000 require a purchase order. Facilities will generate the PO.
    iii. Supplemental Item Purchases
        1. All purchases for supplemental furniture items that do not require an approved capital equipment budget request are expensed to the department.

2. Purchases made on the departmental operating budget should be reviewed for available budget and proper authorizations for purchase by a supervisor and/or VP.
3. Select vendors and purchase using a P-Card.

Colorado College Contract Authorization Guidelines

Furniture Purchase Scenarios

Scenario 1: A department wants to buy a $100 end table for their mail room. (Supplemental Item Purchase).

- Ensure department has available budget, and approval by supervisor and/or VP.
- Select vendor and make purchases on a P-Card.
- Purchase Order is *not* necessary.

Scenario 2: A department has a new employee and wants to purchase a bookshelf ($300), an ergonomic keyboard ($150), and two monitor arms ($200). (Supplemental Item Purchases). **NOTE:** This scenario does not include the purchase of a desk.

- Ensure department has available budget, and approval by supervisor and/or VP.
- Select vendor and make purchases on a P-Card.
- Purchase Order is *not* necessary.

Scenario 3: A department wants to purchase a desk ($2,000) and additional furniture items such as a bookshelf ($300) and a lamp ($100) using their departmental budget. (Departmental Operating Budget – Furniture Purchases; AND Supplemental Item Purchases).

- Review budget and ensure availability of funds.
- Purchase supplemental items (bookshelf and lamp) on a P-Card.
- Contact Facilities for the purchase of the desk.
- A Project Manager will be assigned to assist with the purchase and provide an approved furniture vendor catalogue.
- Review the catalogue and work with the Project Manager to make the selections.
- Facilities will complete the purchase.

Scenario 4: A department wants to purchase a large conference table ($7,500) and has an approved Capital Budget request. (Capital Equipment Budget Requests – Furniture Purchases).

- Follow the Capital Equipment Budget Request process.
- Once a Capital Equipment Budget Request is approved, a Facilities Project Manager will be assigned.
- Facilities Project manager will review the catalogue from the approved furniture vendor list and work with the Requestor to make the selections.
- A Purchase Order will be created by Facilities.

Scenario 5: A department has a waiting area and would like to purchase communal area furniture: three couches for $800 each, for a total of $2,400. (Building/Departmental Furniture Purchases)

- Follow Capital Equipment Budget Request process.
- Once a Capital Equipment Budget Request is approved, a Facilities Project Manager will be assigned.
- Facilities Project Manager will review the catalogue from the approved furniture vendor list and work with the Requestor to make the selections.
- A Purchase Order will be created by Facilities.

Furniture Purchase REMINDERS

- Reused furniture should be considered prior to purchasing new furniture. Coming soon, Facilities will have a page dedicated to available used furniture.
- Please refer to our sustainability purchasing guidelines for purchases: Colorado College Sustainable Purchasing Guidelines
- When purchasing furnishings under $5,000 the account code is often: "Other Equip/Furn under $5,000" – 740302. Please check your departmental budget for appropriate coding.
- If endowed funds are used to pay for the purchase, the same purchasing guidelines apply. However, please include the purpose of the endowed fund on the PO request.
- Furniture for a common space – Facilities and Space Governance coordinate these purchases.
- If a purchase is following a recommendation for an ergonomic assessment, please start here: Submit a work order
- Furniture should be purchased from the college's preferred vendors (e.g., one should not be buying furniture from Ikea, American Furniture Warehouse AFW, Platte Furniture, Amazon, etc.).
- Funding sources: Furniture purchases can be funded from department funds (endowment, gift, operating) and you do not have to wait for the annual Capital Equipment Fund cycle.
- If the department is seeking to purchase new furniture to replace old furniture, the furniture being replaced generally should be seven years of age or older, unless: The furniture is broken and no longer able to be used or the furniture requested is replacing furniture that is being repurposed within the department.

G. Individual Faculty Research Accounts

Research expenses must be reasonable and relate to the faculty member's research or teaching. All general guidelines in the previous pages apply to expenses from individual faculty research accounts.

Funds deposited into research accounts are intended for research- or teaching-related business expenses and are not considered personal compensation and cannot be used to cover personal expenses. Do not request a payment via payroll from your research account to yourself.

Equipment purchased with research funds is considered college property.

When someone should be paid additional compensation for labor/work, (i.e. performing a service) it is not allowable to compensate them by transferring funds into their research account. Funds put into research accounts are not "compensation" or "bonus" or "benefits." Most work that we as colleagues do for each other is already included in our annual compensation and rarely requires additional compensation. If you find yourself in a situation where you need to hire additional support on an hourly or contractor basis, please contact Susan Brickell.

Research funds in research accounts are expected to be spent regularly rather than be used as a "savings account" for accumulating funds without a designated purpose. It is not allowed for funds to be "moved out of" endowment, gift, or operating without a designated research purpose, such as indicated in a research proposal.

Each faculty member is responsible for reviewing their accounts to ensure the transactions are accurately posted and the balance is correct. Deficits are the responsibility of the faculty member and resolved by year end in any one fiscal year (end date June 30).

Examples of allowable expenses include:

1. Books and periodicals related to research or teaching.
2. Student research assistant salary (hourly, academic year), or stipend (summer).
3. Research software not currently licensed by the College—purchase must be approved by ITS to ensure compliance with college information and computing policies and infrastructure.
4. For all current employees, all computing devices regardless of College funding sources must be purchased through ITS. Purchases not going through ITS will not be covered. Computers and other computer devices (e.g., iPads, laptops, monitors, servers) purchased via ITS are allowed. Note that only one computer per faculty is covered under the lifecycle replacement program. Additional research computers do not receive lifecycle replacements.
5. Equipment needed to conduct research—see rental or purchase within the College's procurement and purchasing policy.
6. Laboratory/general expenses for conducting research.
7. Payment for human research (in compliance with college payment policies and IRB approval).
8. Research related professional services (e.g., translation, graphics fee for drawings and maps).
9. Publication fees and subvention to publishers.
10. Travel to conferences and research locations.

Examples of unallowable expenses include:

1. Faculty compensation (e.g., summer salary, bonuses or supplemental compensation/pay).

2. Travel for individuals not essential to research (spouses, partners, friends, dependents, pets).

3. Meals for family members, spouses, significant others who are coming along with you to a conference, even if you spend the meal talking about work.

4. Travel changes or cancellation fees made due to personal preferences, travel upgrades.

5. Moving expenses, moving of automobiles to sabbatical or leave locations, storage expenses for personal goods while on sabbatical or leaves.

6. Commuting cost to/from home.

7. Cell phone plans, data services for cell phones/iPad/devices, home internet, and streaming services (e.g., subscriptions to Netflix, Disney+).

8. Passport renewal or new passport fee, travel costs to get travel documents.

9. Entertainment or alcohol at a bar (not with a meal).

10. Routine everyday living expenses: Faculty traveling on sabbatical who settle into one location for an extended residency are expected to bear the expense of routine living expenses (e.g., groceries) just as they would if living in Colorado while working on campus.

H. Epilogue: An All-Funds Approach to Spending

Full utilization of endowment and gift funds means that we fully actualize donors wishes to support students, faculty, and staff at the College. By not accumulating unspent endowment payouts or finding novel ways to "spend down" the payouts, or sequestering the payouts into individual research accounts, we advance our shared goals that require funding, such as to increase need-based aid to students.

Funding from the College takes multiple forms: Operating budget, endowment funds, and gift funds.

1. Departmental operating budgets (Fund 110002-######) are funded primarily from tuition.
2. Some departments have endowment funds where each year an annual payout is derived from the endowment. The use of the endowment is guided by the gift's deed—some are very flexible in their use; some convey the donor's intention/passion or initial use but leaves open a fair amount of future flexibility. Occasionally, some are narrowly prescribed.
3. Gift funds are funds where the total amount donated is expected to be used.

A department's total budget available is a combination of the three sources, plus outside-department funds they seek (e.g., capital equipment, student research grants, field trip grants). <u>How could we do this important budget work together? There are 3 common ways:</u>

1. Use endowment and gift funds first: Fully utilize endowment and gift funds to cover all allowable expenses before spending the unrestricted operating budget.

    - Example: Department A has a largely discretionary endowment fund that can be used to cover expenses associated with departmental programming, such as equipment, supplies, student events, food for classes, students summer research/internship stipends, abroad financial aid, field trip, faculty research, student conferences, travel, honoraria, etc.

    - Expense should be directly posted to the endowment fund when the expense is made, not first posted to operating (110002) and wait till end of semester for a journal entry.

2. Strategize and review spending for underutilized/irregularly used endowments and gifts.

    - Example: Department B has a gift fund. Allocate the gift fund to support faculty-student summer research before requesting funds from the division or SCoRe.

    - Example: Department C has a few endowments for student awards/scholarships. Some years the restriction is too narrow for viable student candidates, and the award sizes are uneven for the different scholarships from the department. Work with DoF to broaden use.

3. Identify endowments/gifts that are overly restrictive, contact the Dean of the Faculty and Advancement to discuss opportunities to broaden the use.

    - Example: Department D has an endowment that was established decades ago to support a subfield. The field's scholarship has moved to redefine areas of studies within the discipline, the particular pedagogy or form of learning is no longer available or effective, maybe the subfield is not even regularly taught, making it hard to spend the endowment payout.